



3 3298 00231 2487

**FINANCIAL STATEMENTS OF THE
INDUSTRY TRAINING AND
APPRENTICESHIP COMMISSION
FOR THE YEAR ENDED MARCH 31, 2000**



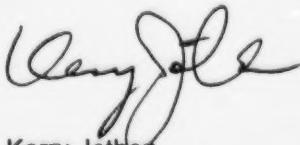
INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2000

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of the Industry Training and Apprenticeship Commission have been prepared by management in accordance with generally accepted accounting principles. The financial statements present fairly the financial position of the Commission as at March 31, 2000, and the results of its operations and the changes in its financial position for the year ended.

Management is responsible for the integrity of the financial statements and has established systems of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly authorized, and financial records are properly maintained to facilitate the preparation of reliable financial statements in a timely manner.

The Auditor General of British Columbia has performed an independent audit of the Industry Training and Apprenticeship Commission. The Auditor's Report outlines the scope of this independent audit and expresses an opinion of the financial statements of the Industry Training and Apprenticeship Commission.



Kerry Jothen
Chief Executive Officer



Report of the Auditor General of British Columbia

*To the Members of the Board of Directors
of the Industry Training and Apprenticeship Commission, and*

*To the Minister of Advanced Education, Training and Technology,
Province of British Columbia:*

I have audited the balance sheet of the *Industry Training and Apprenticeship Commission* as at March 31, 2000 and the statements of revenues and expenses and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the *Industry Training and Apprenticeship Commission* as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

*Victoria, British Columbia
June 2, 2000*

Wayne Strelloff, CA
Auditor General

INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION

BALANCE SHEET AS AT MARCH 31, 2000

	2000	1999
Assets		
Balance in the Special Account (Note 3)	\$ 2,031,075	\$ 1,776,010
Accounts Receivable	3,941	73,153
Prepaid Expenses	212	-
Capital Assets (Note 4)	424,756	181,790
	<hr/> <u>\$ 2,459,984</u>	<hr/> <u>\$ 2,030,953</u>
Liabilities		
Grants and Contributions Payable	\$ 498,201	\$ 296,803
Other Accounts Payable and Accrued Liabilities	101,926	50,783
Accrued Employee Leave Entitlements (Note 5)	384,980	314,300
	<hr/> <u>985,107</u>	<hr/> <u>661,886</u>
Accumulated Excess of Revenues over Expenses	<hr/> <u>\$ 2,459,984</u>	<hr/> <u>\$ 2,030,953</u>

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors:

Chair

Chief Executive Officer

INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION

STATEMENT OF REVENUES AND EXPENSES FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
Revenues		
Contributions from the Province (Note 6)	\$ 70,105,000	\$ 68,596,000
Licenses and Permits	210,778	176,361
	<hr/> <hr/> 70,315,778	<hr/> <hr/> 68,722,361
Expenses		
Contributions to Industry Training and Apprenticeship Programs	61,674,618	60,866,780
Salaries and Benefits	5,696,631	5,065,401
Building Occupancy Charges (Note 6)	725,959	763,158
General Office and Business Expenses	430,895	385,927
Information Systems Operating Costs (Note 6)	378,549	356,488
Travel	343,568	249,403
Professional Services	224,836	246,185
Printing, Publications and Marketing	389,597	149,049
Trade Advisory Committees	126,689	112,825
Board Fees and Expenses	67,692	107,027
Amortization	150,934	58,353
	<hr/> <hr/> 70,209,968	<hr/> <hr/> 68,360,596
Excess of Revenues over Expenses For the Year	105,810	411,765
Accumulated Excess of Revenues over Expenses, Beginning of Year	1,369,067	957,302
Accumulated Excess of Revenues over Expenses, End of Year	<hr/> <hr/> \$ 1,474,877	<hr/> <hr/> \$ 1,369,067

The accompanying notes are an integral part of these financial statements.

INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
Sources of Cash Equivalents		
Cash Equivalents Provided by Operations		
Excess of Revenues over Expenses for the year	\$ 105,810	\$ 411,765
Add (Less): Items not affecting Cash Equivalents		
Amortization (non-cash expense)	150,934	58,353
Increase (Decrease) in Grants and Contributions Payable	201,398	(22,428)
Increase in Other Accounts Payable and Accrued Liabilities	51,143	21,458
Increase in Accrued Employee Leave Entitlements	70,680	37,895
Decrease (Increase) in Accounts Receivable	69,212	(69,900)
(Increase) Decrease in Prepaid Expenses	<u>(212)</u>	<u>1,758</u>
	548,965	438,901
Cash Equivalents Used by Investing Activities		
Purchase of Capital Assets	<u>(393,900)</u>	<u>(161,589)</u>
Increase in Cash Equivalents	255,065	277,312
Cash Equivalents, Beginning of Year	1,776,010	1,498,698
Cash Equivalents, End of Year	\$ 2,031,075	\$ 1,776,010
Represented by:		
Balance in the Special Account	\$ 2,031,075	\$ 1,776,010

The accompanying notes are an integral part of these financial statements.

INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2000

Note 1 The Commission

The Industry Training and Apprenticeship Commission (the Commission) was established on November 28, 1997 as a corporation and agent of the Provincial government under the authority of the *Industry Training and Apprenticeship Act*.

The mandate of the Commission is to:

- create an industry driven training and apprenticeship system;
- identify, monitor and assess the needs of the British Columbia labour market for skilled persons;
- expand the number of skilled persons in designated trades and occupations;
- increase the proportion of under-represented groups in designated trades and occupations;
- integrate education and training systems to ensure a smooth transition from school to the workplace;
- promote and encourage continuous skills upgrading, learning and certification;
- develop and expand a system of provincially recognized credentials for designated trades and occupations; and
- ensure efficient and effective use of resources through the coordination and integration of industry training and apprenticeship programs.

Note 2 Significant Accounting Policies

(a) Basis of Accounting

These financial statements have been prepared in accordance with generally accepted accounting principles.

(b) Revenues and Expenses

Contributions received from the Province are recorded as revenue on an accrual basis.

Contributions are recognized as expenses in the period that the events giving rise to the contribution occurred, as long as:

- (i) payment has been authorized;
- (ii) eligibility criteria, if any, have been met by the recipient; and
- (iii) a reasonable estimate of the contribution can be made.

INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2000

Note 2 Significant Accounting Policies – continued

(c) Capital Assets

Capital assets are recorded at cost and are amortized on a straight-line basis over the estimated useful life of the assets as follows: Computer Hardware and Software - 3 years.

Note 3 Balance in the Special Account

The *Industry Training and Apprenticeship Act* establishes the Industry Training and Apprenticeship Special Account in the general fund of the Province of British Columbia.

This Special Account consists of:

- money transferred from a vote;
- assessments made on employees or employers for the cost of maintaining an industry training or apprenticeship program;
- fees for services; and
- any other revenues received by the Commission.

Money may be paid out of the Special Account for projects or initiatives undertaken by the Commission, and for the costs of operating and administering the Commission. The Special Account balance includes the accumulated excess of revenues over expenses that may not be spent without additional Treasury Board approval.

Note 4 Capital Assets

	Cost	Accumulated Amortization	Net Book Value
Computer Hardware and Software	\$ 649,754	\$ 224,998	\$ 424,756

INDUSTRY TRAINING AND APPRENTICESHIP COMMISSION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2000

Note 5 Accrued Employee Leave Entitlements

The Commission is responsible for the leave entitlements earned by its employees that existed prior to its incorporation on November 28, 1997. The Balance in the Special Account includes a cash transfer made to provide for this liability.

Note 6 Related Party Transactions

- (a) The Commission received \$70,105,000 from the Ministry of Advanced Education, Training and Technology. The Commission uses these revenues to make contributions to industry training and apprenticeship programs at universities, colleges and training schools in British Columbia, and to fund the operations of the Commission.
- (b) All office facilities are leased through the British Columbia Buildings Corporation. Total lease payments for the year ended March 31, 2000 were \$725,959.
- (c) The Ministry of Finance and Corporate Relations provides data processing services to the Commission. Total data processing costs for the year ended March 31, 2000 were \$316,502.

Note 7 Donated Services

Services for finance and administration, human resources, information management, freedom of information and protection of privacy and communication are provided to the Commission by other ministries. These amounts are not readily quantifiable, so their value has not been included in the financial statements.

Note 8 Pension Plan

The Commission and its employees contribute to the Public Service Pension Plan in accordance with the Pension (Public Service) Act. The Superannuation Commission of the Province of British Columbia administers the Plan, including the payment of pension benefits on behalf of employers and employees to whom the Act applies.

The plan is a defined benefit plan. The financial statements of the plan are included in the Public Accounts of the Province. The Province of British Columbia has statutory responsibility for any unfunded liability.